

# State of South Dakota

EIGHTY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 2009

663Q0038

## SENATE TAXATION ENGROSSED NO. **SB 86** - 1/30/2009

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

Introduced by: Senators Hundstad, Abdallah, Ahlers, Bartling, Bradford, Brown, Fryslie, Gant, Gillespie, Gray, Hanson (Gary), Haverly, Heidepriem, Howie, Hunhoff (Jean), Jerstad, Kloucek, Maher, Merchant, Miles, Nesselhuf, Novstrup (Al), Olson (Russell), Peterson, Schmidt, and Turbak Berry and Representatives Feickert, Blake, Hunhoff (Bernie), Solberg, and Vanderlinde

1 FOR AN ACT ENTITLED, An Act to revise certain provisions concerning the application of  
2 the inventory tax on certain fuels in storage immediately prior to a tax increase.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-47B-14 be amended to read as follows:

5 10-47B-14. Any person having title to ~~undyed special fuel and jet fuel in storage on January~~  
6 ~~1, 1996~~ any fuel in storage subject to the fuel excise tax pursuant to § 10-47B-4 immediately  
7 prior to a tax increase under this chapter, is subject to an inventory tax based on the gallons in  
8 storage as of the close of the business day preceding the effective date of the increased tax rate.

9 Section 2. That § 10-47B-16 be amended to read as follows:

10 10-47B-16. In determining the amount of ~~special~~ fuel tax due under §§ 10-47B-14 and 10-  
11 47B-15, the person may exclude the amount of ~~special~~ fuel that will not be pumped out of the  
12 storage tank because the ~~special~~ fuel is below the mouth of the draw pipe. For this purpose, the



1 person may deduct two hundred gallons for a storage tank with a capacity of more than one  
2 thousand gallons and less than ten thousand gallons, and four hundred gallons for a storage tank  
3 with a capacity of ten thousand gallons or more.

4 Section 3. That § 10-47B-17 be amended to read as follows:

5 10-47B-17. The amount of the inventory tax imposed by § 10-47B-14 is equal to the ~~special~~  
6 ~~fuel~~ tax rate indicated in § 10-47B-4 times the gallons in storage as determined under ~~§ 10-47B-~~  
7 ~~15 §§ 10-47B-15 and 10-47B-16.~~